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OF COUNSEL
WILLIAM G. CONLY

October 29, 2002

Honorable James H. Welsh
Commissioner of Conservation
State of Louisiana
Post Office Box 44275
Baton Rouge, Louisiana 70804-4275

Re: APPLICATION FOR PUBLIC HEARING.

Upper Hosston Formation; Hosston 8100' Sand,
Reservoir A; and Lower Hosston Formation,
Reservoir A; WEST ARCADIA FIELD, Bienville
Parish, Louisiana.

Dear Sir:

EL PASO PRODUCTION COMPANY ("Applicant") hereby respectfully applies for a public hearing to consider evidence relative to the issuance of Orders pertaining to the following matters relating to the Upper Hosston Formation; the Hosston 8100' Sand, Reservoir A; and the Lower Hosston Formation, Reservoir A; all in the West Arcadia Field, Bienville Parish, Louisiana:

Upper Hosston Formation and Hosston 8100' Sand, Reservoir A

1. To authorize Applicant to drill, designate and utilize its Jones 17 No. 1 Well as the substitute unit well for U HOSS SUF, and as the substitute unit well for HOSS 8100 RA SUA, at the location shown on attached plats, in exception to the well location provisions of Office of Conservation Order No. 692, effective April 1, 1965.
2. To find that a substitute unit well for U HOSS SUF and for HOSS 8100 RA SUA is necessary to efficiently and economically drain a portion of the Upper Hosston Formation underlying U HOSS SUF, and the Hosston 8100' Sand, Reservoir A, underlying HOSS 8100 RA SUA, which cannot be efficiently and economically drained by any existing well on these units.
3. To designate Applicant as Operator of U HOSS SUF and of HOSS 8100 RA SUA.
4. To discuss such other matters as may be pertinent.

Lower Hosston Formation, Reservoir A

1. To create one (1) additional drilling and production unit for the exploration for and production of gas and condensate from the Lower Hosston Formation, Reservoir A, such unit being shown on an attached plat and being designated L HOSS RA SUG.
2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed additional unit in accordance with Section 10, Title 30, of the Louisiana Revised Statutes of 1950, with each tract sharing in unit production on a surface acreage basis of participation.
3. To designate Applicant as Operator of the proposed additional unit.

4. To designate the El Paso Production Company--Jones 17 No. 1 Well, to be located as shown on an attached plat, as the unit well for the proposed additional unit.

5. To approve the downhole combination of production from the Lower Hosston Formation, Reservoir A, the Hosston 8100' Sand, Reservoir A, and the Upper Hosston Formation, or any combination thereof, in the wellbore of the Jones 17 No. 1 Well, and in the wellbore of any existing or future well located on L HOSS RA SUG in which the ownership interests in the intervals to be combined downhole are identical.

6. To extend, except as in conflict herewith, the provisions of Office of Conservation Order No. 692-C, effective May 1, 1981, as amended and supplemented by the Order No. 692-C series of Orders, to the proposed additional unit.

7. To discuss such other matters as may be pertinent.

The Upper Hosston Formation in the West Arcadia Field, Bienville Parish, Louisiana, was defined in Office of Conservation Order No. 692, effective April 1, 1965. The Hosston 8100' Sand, Reservoir A, in the West Arcadia Field, Bienville Parish, Louisiana, was defined in Office of Conservation Order No. 692-D, effective January 31, 1985.

The Lower Hosston Formation, Reservoir A, in the West Arcadia Field, Bienville Parish, Louisiana, was defined in Office of Conservation Order No. 692-C, effective May 1, 1981, as amended by Order No. 692-C-1, effective November 16, 1999.

Pertinent data concerning this application is available for inspection at the offices of Louis Gilbert & Associates, Inc., 3636 N. Causeway Boulevard, Suite 204, Metairie, Louisiana 70002-7216. Any person wishing to inspect such data should call Mr. Louis Gilbert at (504) 834-8112 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent data which is not otherwise available from the records of the Louisiana Office of Conservation can be obtained from Applicant at the expense of the requesting party.

By letter dated October 18, 2002, Applicant gave notice, in accordance with the Revised Rules of Procedure, of its intention to apply for a public hearing concerning these proposals and set November 8, 2002, as the tentative date for the pre-application conference. No request for the pre-application conference was received; accordingly, no pre-application conference was held.

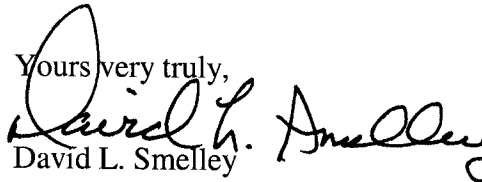
Pursuant to the Revised Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom notice of this application is being sent and has attached hereto a list of the names and addresses of such parties. A copy of the three (3) unit plats (which are identical to the unit plats attached to the pre-application notice) is enclosed herewith, and a copy of this letter and of the attached plats is being sent to the District Manager of the Shreveport District of the Office of Conservation and to each of the Interested Owners, Represented Parties and Interested Parties as shown on the attached list.

Applicant will provide for posting of a copy of the Legal Notice of this hearing, and of the enclosed plats, at a prominent place in the area affected and will cause publication of the Legal Notice in a newspaper published in the general area of West Arcadia Field, all in accordance with

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the Revised Rules of Procedure. Furthermore, Applicant will mail a copy of the Legal Notice to all Interested Owners, Represented Parties and Interested Parties promptly upon receipt of the Legal Notice from the Commissioner.

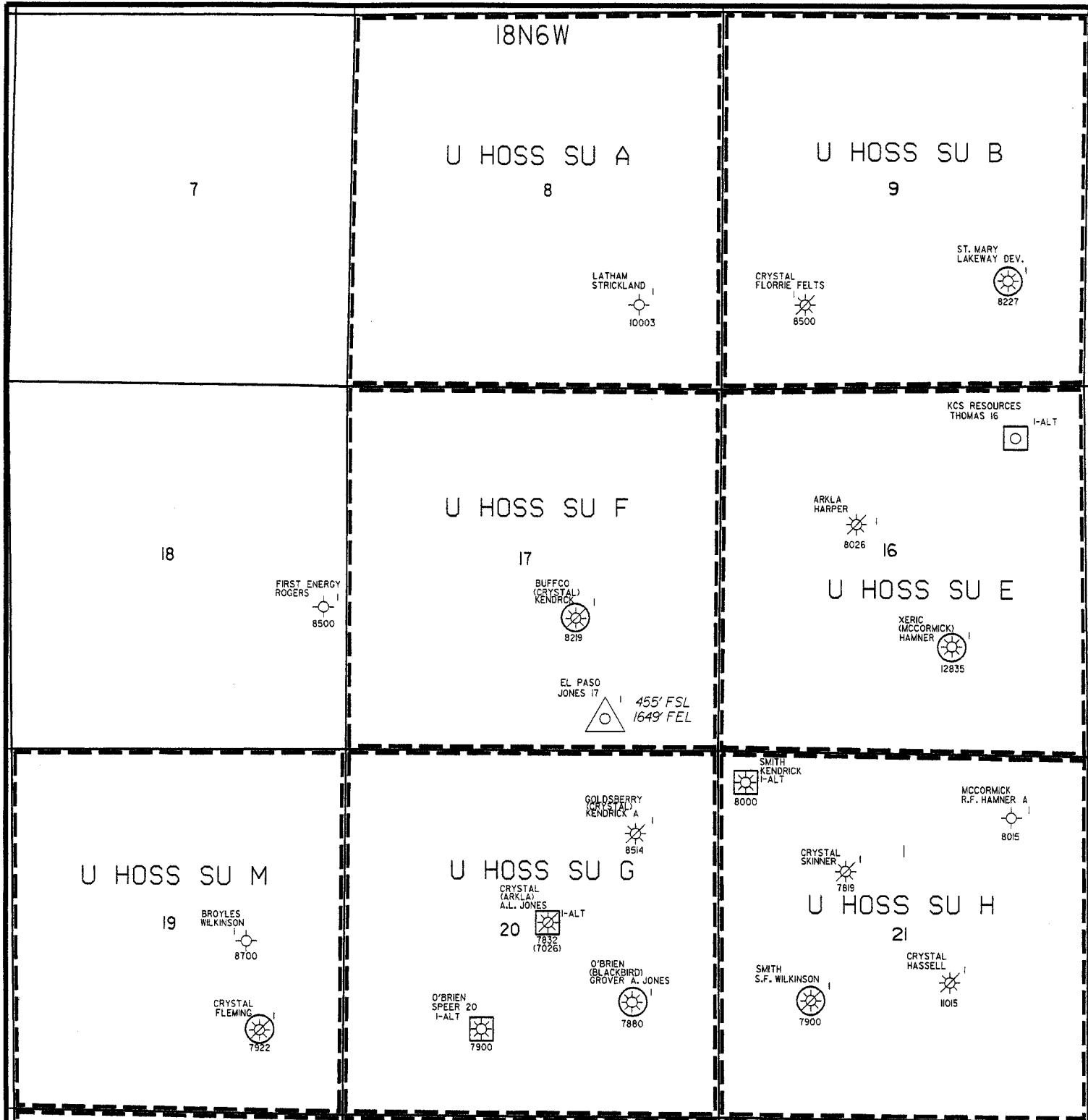
Finally, enclosed herewith is our check payable to the Office of Conservation covering the application fee.

Yours very truly,

David L. Smelley

-- Attorney for El Paso Production Company

DLS:dp
Enclosures

cc: Mr. Jim Broussard (w/encl.)
Mr. Jerry McAnulty (w/encl.)
Mr. Gary Griffith (w/encl.)
Ms. Shirley Galik (w/encl.)
Mr. Louis Gilbert (w/encl.)
Interested Owners, Represented Parties
and Interested Parties (w/plats only)



LEGEND

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UPPER HOSSSTON UNITS, RESERVOIR A,
AS PER ORDER NO. 692

UNIT WELL

ALTERNATE UNIT WELL

PROPOSED SUBSTITUTE UNIT WELL

WELLS 6000' AND SHALLOWER
REMOVED FROM BASE

EXHIBIT NO.

DOCKET NO. 02-

el paso Production

Onshore Development
Houston, Texas

WEST ARCADIA FIELD

BIENVILLE PARISH, LOUISIANA

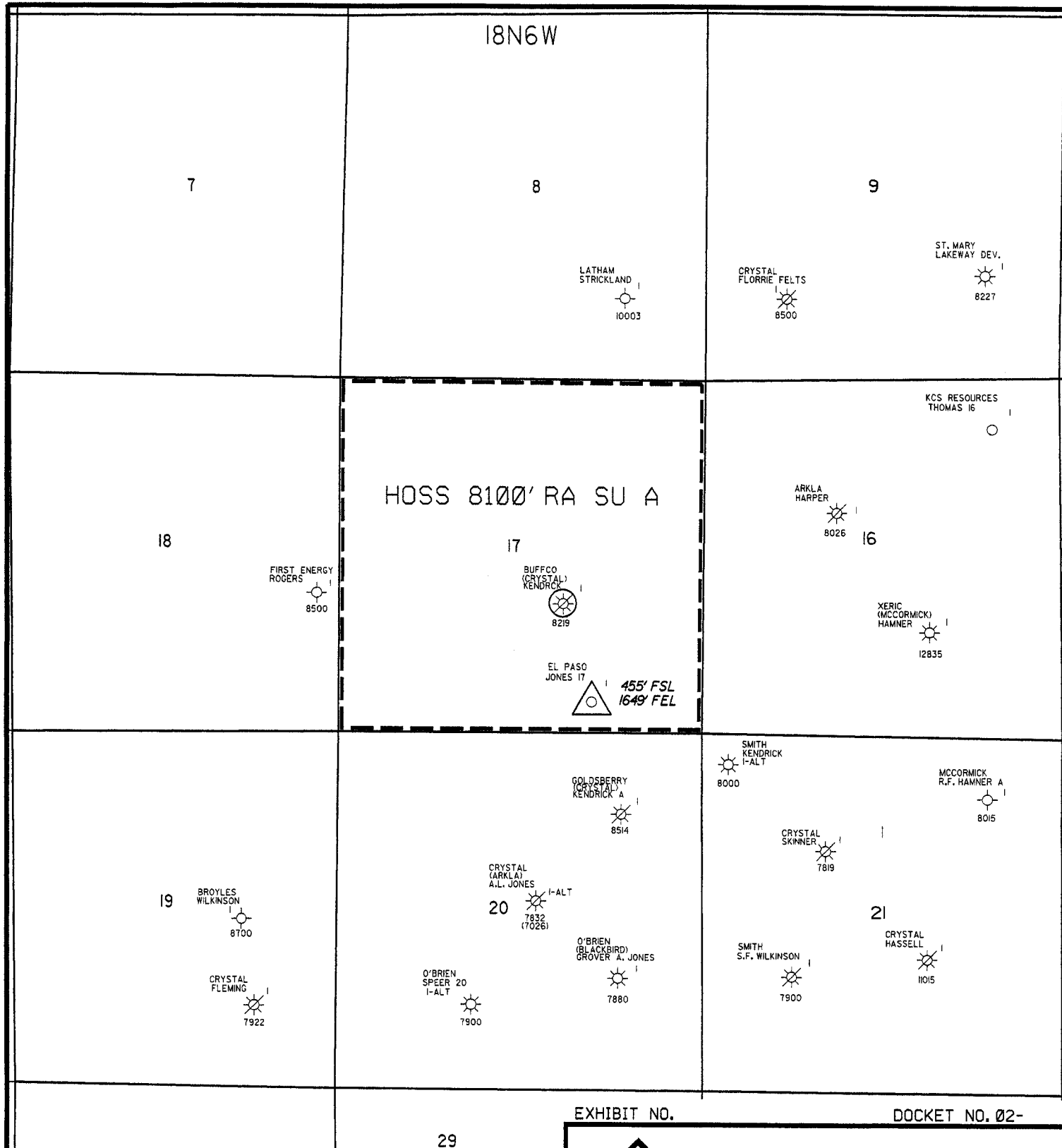
PROPOSED SUBSTITUTE UNIT WELL PLAT

U HOSS SU F

0' 1000' 2000' 4000'

www.eelg.com

LOUIS GILBERT & ASSOCIATES, INC.



LEGEND

- HOSSTON 8100' SAND, RESERVOIR A, AS PER ORDER NO. 692-D
- UNIT WELL
- △ PROPOSED SUBSTITUTE UNIT WELL

WELLS 6000' AND SHALLOWER
REMOVED FROM BASE

EXHIBIT NO.

DOCKET NO. 02-

elpaso

Production

Onshore Development
Houston, Texas

WEST ARCADIA FIELD

BIENVILLE PARISH, LOUISIANA

PROPOSED SUBSTITUTE UNIT WELL PLAT

HOSS 8100' RA SU A

0' 1000' 2000' 4000'

warcdia.dgn

LOUIS GILBERT & ASSOCIATES, INC.

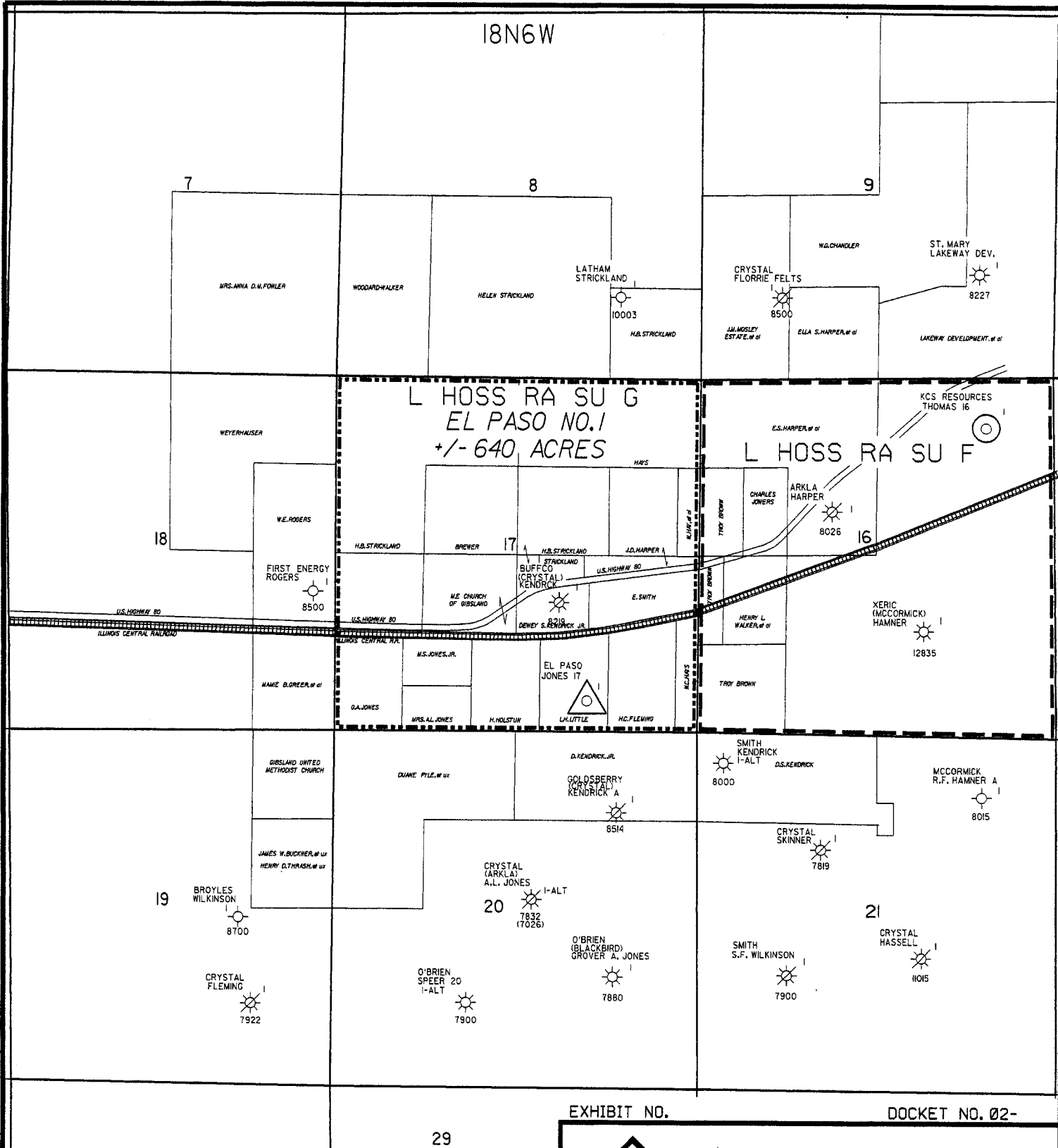


EXHIBIT NO.

DOCKET NO. 02-



Production

Onshore Development
Houston, Texas

WEST ARCADIA FIELD

BIENVILLE PARISH, LOUISIANA

PROPOSED UNIT PLAT LOWER HOSSSTON FORMATION

0' 1000' 2000' 4000'

wareadig.dan

LOUIS GILBERT & ASSOCIATES, INC.

LEGEND

--- LOWER HOSSSTON UNIT, RESERVOIR A,
AS PER ORDER NO. 692-C-6

--- PROPOSED UNIT

○ UNIT WELL

△ PROPOSED UNIT WELL

WELLS 6000' AND SHALLOWER
REMOVED FROM BASE

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DAVIS
NOMIE
8515

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